

# Editorial: More taxes not the solution

## Núñez's answer to the budget crisis

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As we noted Monday, under the legislative emergency declared by Gov. Arnold Schwarzenegger, the clock is ticking on the state's budget crisis, so we should expect some serious proposals for cutting the looming \$14.5 billion deficit. That's why Assembly Speaker Fabian Núñez's proposal this week was so inappropriate, and at the same time so much like Sacramento.

Mr. Núñez suggested what he incredibly claims to be a "fair compromise" – a 50-50 mix of spending cuts and raising new revenue, including taxes.

That would be fair *if* half the problem were that Californians hadn't paid enough taxes. But that's ludicrous. As Republican state Sen. Tom McClintock has pointed out, this year state government will consume the largest-ever portion of Californians' earnings – \$9.58 of every \$100 in personal income, compared with \$8.78 under Gov. Gray Davis and \$6.76 under Gov. Pat Brown during the 1960s. Revenue increases annually. The problem is, spending increases even more.

Republicans correctly have maintained throughout this accelerating fiscal disaster that state government has no revenue problem, just a spending problem.

Nevertheless, Mr. Núñez resurrected the same, old tired solution – more taxes. He mentioned possibly taxing oil companies for drilling, closing tax loopholes on yacht purchases, increasing taxes on million-dollar vacation homes and something that should chill every business owner, possibly creating a split tax roll, which would cut off businesses from Proposition 13 protections.

It's puzzling how Mr. Núñez can view the unfolding fiscal disaster with the economy sliding toward recession and still propose with a straight face heaping additional costs on the public. Left-leaning, big-government ideology is behind such a suggestion, but one wonders how Mr. Núñez can be so blind to the economy-retarding, counter-productive effects of such an approach.

Lawmakers need to get serious and reduce the amount of other peoples' money they spend. The speaker has drawn the battle lines in these waning days approaching Feb. 24's deadline when the Legislature must submit a revised midyear budget to Gov. Schwarzenegger. We hope a united Republican minority can block counterproductive, uncalled-for tax increases.